



110 WEST FAYETTE STREET • ONE LINCOLN CENTER • SUITE 1000 • SYRACUSE, NEW YORK 13202 • PH: 315.422.1500 • FX: 315.422.3549

March 18, 2019

VIA ELECTRONIC FILING

Honorable Margaret Cangilos-Ruiz
United States Bankruptcy Court
Northern District of New York
100 South Clinton Street
Syracuse, New York 13202

Re: Centerstone Linen Services, LLC, et al; Chapter 11 Case No. 18-31754

Jointly Administered

**Objection by ACN Companies, LLC to Motion by Debtors Centerstone Linen Services, LLC et al. re Bid Procedure etc. (Doc 285)
Returnable at 1:00 p.m. on March 18, 2109**

Dear Judge Cangilos-Ruiz:

Please accept this as a limited objection to the bid procedure returnable at 1:00 p.m. today (which is part of the motion to approve the sale of certain assets Doc 285, filed March 13, 2019, the "Sale Motion"). There is a flaw in the Bidding Procedure (Exhibit B) that may tend to limit and frustrate potential competing bidders. On page 3 of the Bidding Procedure under the Section with the subheading "Qualified Bid", there is a requirement that each bid exceed the initial bid by at least \$100,000, which is tendered for both the Syracuse Property and Buffalo Property as defined in the Sale Motion. However, I am advised that there may be bidders that want to bid individually on operations at one but not both locations. Because the purchase price is not allocated in the proposed Asset Purchase Agreement between the two properties, there may be no effective way to bid on either but not both locations and still make a Qualified Bid. In addition, there may be scenarios in which the parties considering the bids may prefer bids for individual locations as opposed to an aggregate bid.

I have spoken to counsel for Debtors, Ms. Hill, and she indicated that it would make sense to modify this requirement and that the Debtors would propose alternative language to encourage competitive bidding.



Hon. Margaret Cangilos-Ruiz
March 18, 2019
Page 2

Of course, ACN Companies, LLC reserves all of its other rights, objections, claims and defenses.

Very truly yours,

BOUSQUET HOLSTEIN PLLC

Robert K. Weiler

RKW/lce
3709932_1.docx